

ANNUAL REPORT

JANUARY 31, 1954

V. J. E L M O R E
5¢-10¢ & \$1⁰⁰ STORES, INC.



V. J. ELMORE

5c 10c & 1.00 STORES, INC. BIRMINGHAM, ALA.

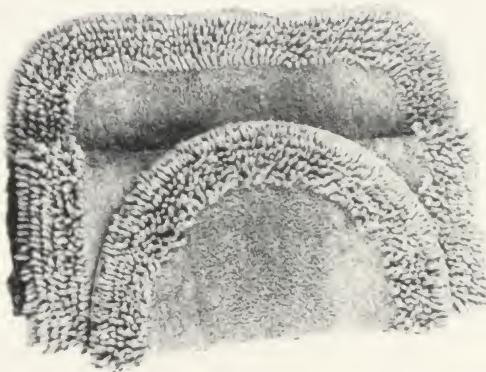
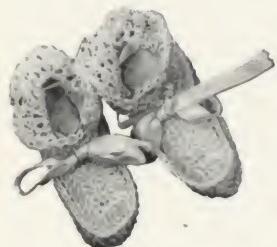
FOUNDED 1925



V.J. ELMORE

5c 10c & 1.00 STORES, INC.

BIRMINGHAM, ALA.



Some Items Manufactured In Alabama And Mississippi That Are On Sale In V. J. Elmore Stores.

ANNUAL REPORT TO THE STOCKHOLDERS..

PRESIDENT'S LETTER..

March 16, 1954

TO THE STOCKHOLDERS:

This is the twentieth annual meeting of stockholders of your Company since the date of incorporation in 1935. I again have the privilege and responsibility of reporting to you relative to the operations and current condition of your Company.

The balance sheet statement at January 31, 1954 and a statement of profit and loss for the fiscal year ending that date are included in the report. It will be observed that dollar sales volume reflects an increase of \$236,225 as compared with the preceding year. On a subsequent page there is set forth a chart relative to the sales dollars and how these sales dollars are used.

Net profit for the year was \$314,027, which can be favorably regarded. Dividends were paid in amount believed to be in keeping with sound business policy and to permit a reasonable retention of funds for investing in additional stores, improvement of existing stores, and to provide a margin in case of reverses. Inventories reflect a substantial decrease as compared with the figure of January 31, 1953. Markdowns have been taken where needed and obsolete merchandise eliminated.

There are now sixty-two stores in operation. The Roanoke, Alabama, store mentioned in our last report as having been opened March 5, 1953 has proven a satisfactory addition.

We are continuing our policy of modernization and improvement of existing stores. This is essential if we are to improve the quality of our service and maintain our competitive position in the variety store field. There are several remodelling jobs and air conditioning installations contemplated. This is in addition to the routine maintenance operations to be carried on during the year. It is the intention to take advantage of opportunities for reasonable expansion in the way of additional stores where suitable locations can be obtained and when funds are available from retained profits of the preceding year.

What might be termed a departure from the conventional type of the physical set up of our stores has been carried out in connection with our store located at North Birmingham, Alabama. It is being converted to a one hundred percent self service and check out store. This change has been made after careful study of like operations, but is regarded as an experiment in our chain and type business. A picture of the interior of this store appears on a subsequent page. If the venture proves successful it is the intention to convert certain other stores to like operations.

It is always a pleasure to make grateful acknowledgement to the personnel of our Company for their loyal and efficient service. I wish to thank the Directors and Stockholders for their counsel. It has been another profitable year of operation in addition to the progress achieved. The ability and integrity of those associated with our Company has accomplished this. I wish to again express my appreciation.

With best wishes to each of you, this report is respectfully submitted.

Mrs. V. J. Elmore
President

Gloves by Riegel Textile Corp.,
Greenville, Ala.

Bootees by Mrs. F. J. Haynes,
Anniston, Ala.

Anklets by R. D. Durham,
Ft. Payne, Ala.



HOW OUR SALES DOLLARS WERE USED IN 1953

66.65%

Cost of goods sold and expenses

20.93%

Salaries and wages, employees' benefits

1.46%

Allowance for wear, obsolescence of fixtures and equipment, and repairs

6.84%

Taxes paid to Federal, State and City Government

1.83%

Dividends paid to stockholders for use of their money

2.29%

Earnings retained in the business for expansion and modernization



Men's Anklets by
Meywebb Hosiery Mills
Meridian, Miss.

Children's Gloves by
Wells Lamont Corp.,
Waynesboro, Miss.

Sling Shots by
Plastone Plastic Co.,
Birmingham, Ala.

HOME OFFICE and WAREHOUSE BUILDING

**10 South Fourteenth Street
Birmingham, Alabama**



Our home office building was completed on March 1, 1941, and with subsequent additions now contains 36,000 square feet of warehouse space on the ground floor. Executive and buying offices are located on the second floor with suites of offices arranged for each department. The entire office area is equipped with year-round air conditioning and fluorescent lighting.

AKRON
ATLANTA
BALTIMORE
BIRMINGHAM
BOSTON
BUCKELEY
CANTON
CHICAGO
CINCINNATI
CLEVELAND
COLUMBUS
DALLAS
DAYTON
DENVER
DETROIT
ERIE
FORT WORTH
GRAND RAPIDS
HOUSTON
INDIANAPOLIS
KALAMAZOO
KANSAS CITY
LOS ANGELES
LOUISVILLE
MEMPHIS
MIAMI
MILWAUKEE
MINNEAPOLIS

ERNST & ERNST
ACCOUNTANTS AND AUDITORS
SYSTEM SERVICE

BIRMINGHAM
1314 FIRST NATIONAL BLDG
DELIVERY ZONE 3

NEW ORLEANS
NEW YORK
PHILADELPHIA
PITTSBURGH
PORTLAND, ORE.
PROVIDENCE
RENO, NEV.
RICHMOND
ROCHESTER
SAINT PAUL
SAN ANTONIO
SAN FRANCISCO
SEATTLE
TACOMA
WACO
WASHINGTON
WINSTON-SALEM
YOUNGSTOWN

TORONTO, CANADA
CORRESPONDENT AT
LONDON

CABLE ADDRESS
"ERNSTAUDIT" N.Y.

Board of Directors
V. J. Elmore 5c, 10c and \$1.00 Stores, Inc.
Birmingham, Alabama

5c, 10c and \$1.00 Stores, Inc., as of January 31, 1954, and the related statements of profit and loss and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of profit and loss and surplus present fairly the financial position of V. J. Elmore 5c, 10c and \$1.00 Stores, Inc., at January 31, 1954, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

February 26, 1954

Ernst & Ernst

ASSETS

January 31, 1954,

	January 31, 1954	January 31, 1953
CURRENT ASSETS		
Cash	\$ 943,772	\$ 783,973
United States Treasury Notes—at tax payment value	\$531,680	\$ 405,640
Less federal and state taxes on income—estimated	425,000	405,640
Trade accounts receivable	2,315	6,785
Merchandise inventories:		
At stores—at cost as determined by the retail inventory method	\$944,983	\$1,084,907
In warehouse—at lower of cost (first-in, first-out basis) or market	345,165	359,856
In transit—at cost	20,079	55,375
TOTAL CURRENT ASSETS	<u>\$2,362,994</u>	<u>\$2,290,896</u>
INVESTMENTS AND OTHER ASSETS		
Marketable securities held in escrow—at cost and interest accrued	\$ 44,108	\$ 51,781
Other securities—at cost and interest accrued	6,623	4,700
Cash surrender value of life insurance	6,125	5,471
Sundry accounts receivable	795	736
	<u>57,651</u>	<u>62,688</u>
LAND, BUILDINGS, AND EQUIPMENT —at cost less allowances for depreciation and amortization		
Land	\$ 18,000	\$ 18,000
Office and warehouse building and paving	\$194,004	\$ 162,215
Fixtures and equipment	483,168	414,157
Automobiles and trucks	59,077	57,283
Improvements to leaseholds	126,476	103,104
	<u>\$862,725</u>	<u>\$ 736,759</u>
Less allowances for depreciation and amortization	286,320	235,532
	<u>\$576,405</u>	<u>\$ 501,227</u>
Building, equipment and improvement installations in progress	-0-	36,053
	<u>594,405</u>	<u>555,280</u>
DEFERRED CHARGES		
Unexpired insurance	\$ 22,392	\$ 43,664
Supplies	5,945	6,549
	<u>\$3,043,387</u>	<u>\$2,959,077</u>

BALANCE SHEETS

LIABILITIES

and January 31, 1953

	January 31, 1954	January 31, 1953
CURRENT LIABILITIES		
Accounts payable and accrued expenses:		
Trade accounts	\$ 101,716	\$ 150,589
Salaries and bonuses	50,158	58,489
Pay roll taxes and taxes withheld from employees	12,286	11,943
Sales and retailers excise taxes	14,430	15,755
Federal and state taxes on income—estimated	\$ 425,000	\$ 490,000
Less United States Treasury Notes— at tax payment value	425,000	405,640
TOTAL CURRENT LIABILITIES	\$ 178,590	\$ 321,136
CAPITAL STOCK AND SURPLUS		
Capital stock:		
First preferred stock, par value \$100.00 a share (entitled to \$100.00 a share plus accumulated dividends upon liquidation):		
Authorized 3,683 $\frac{1}{2}$ shares for 1954; 4,000 shares for 1953, issued and outstanding:		
830 shares of 7% cumulative	\$ 83,000	\$ 83,000
2,853 $\frac{1}{2}$ shares of 5% cumulative for 1954; 2,388 $\frac{1}{2}$ shares for 1953	285,350	238,850
	<u>\$ 368,350</u>	<u>\$ 321,850</u>
Common stock, Class "B"—no par value, stated value \$16 $\frac{2}{3}$ a share, dividends of \$1.00 a year cumulative, preferred over other common stock only as to dividends:		
Authorized, issued and outstanding 6,000 shares	100,000	100,000
Common stock, Class "A"—no par value, stated value \$16 $\frac{2}{3}$ a share:		
Authorized 2,500 shares, issued and outstanding 2,500 shares for 1954; 2,383 $\frac{3}{4}$ shares for 1953	41,667	39,729
	<u>\$ 510,017</u>	<u>\$ 461,579</u>
Capital surplus	16,235	15,266
Earned surplus	2,338,545	2,161,096
	<u>2,864,797</u>	<u>2,637,941</u>
	<u>\$3,043,387</u>	<u>\$2,959,077</u>

STATEMENTS OF PROFIT AND LOSS

Years ended January 31, 1954, and January 31, 1953

	Year Ended		Increase Decrease*
	Jan. 31, 1954	Jan. 31, 1953	
Net sales.....	\$ 7,482,685	\$ 7,246,459	\$ 236,226
Cost of goods sold.....	4,778,316	4,597,817	180,499
Selling and administrative expenses.....	\$ 2,704,369	\$ 2,648,642	\$ 55,727
	2,096,817	1,978,888	117,929
Other income.....	\$ 607,552	\$ 669,754	\$ 62,202*
	127,215	125,139	2,076
Other deductions.....	\$ 734,767	\$ 794,893	\$ 60,126*
	1,628	391	1,237
PROFIT BEFORE TAXES ON INCOME	<u>\$ 733,139</u>	<u>\$ 794,502</u>	<u>\$ 61,363*</u>
Taxes on income:			
Provision for the year—estimated:			
Federal normal income tax and surtax.....	\$ 372,500	\$ 405,000	\$ 32,500*
Federal excess profits tax.....	41,000	73,000	32,000*
State income taxes.....	11,500	12,000	500*
Overprovision for prior years.....	5,888*	4,981*	907*
TOTAL TAXES ON INCOME	<u>\$ 419,112</u>	<u>\$ 485,019</u>	<u>\$ 65,907*</u>
NET PROFIT	<u><u>\$ 314,027</u></u>	<u><u>\$ 309,483</u></u>	<u><u>\$ 4,544</u></u>

Provision for depreciation and amortization included above:

1954—\$71,637; 1953—\$62,131.

*Indicates red figures.

STATEMENTS OF SURPLUS

	Year Ended		Increase Decrease*
	Jan. 31, 1954	Jan. 31, 1953	
CAPITAL SURPLUS			
Balance at beginning of year.....	\$ 15,266	\$ 14,699	\$ 567
Proceeds from sale of capital stock in excess of its stated value.....	969	567	402
Balance at end of year.....	<u>\$ 16,235</u>	<u>\$ 15,266</u>	<u>\$ 969</u>
EARNED SURPLUS			
Balance at beginning of year.....	\$ 2,161,096	\$ 1,982,959	\$ 178,137
Add net profit for the year.....	314,027	309,483	4,544
	<u>\$ 2,475,123</u>	<u>\$ 2,292,442</u>	<u>\$ 182,681</u>
Deduct cash dividends paid:			
On 7% preferred stock (\$7.00 a share).....	\$ 5,810	\$ 5,810	\$ -0-
On 5½% preferred stock (\$5.00 a share).....	14,268	11,942	2,326
On Class "A" common stock (\$25.00 a share).....	62,500	59,594	2,906
On Class "B" common stock (\$9.00 a share).....	54,000	54,000	-0-
	<u>\$ 136,578</u>	<u>\$ 131,346</u>	<u>\$ 5,232</u>
Balance at end of year.....	<u><u>\$ 2,338,545</u></u>	<u><u>\$ 2,161,096</u></u>	<u><u>\$ 177,449</u></u>

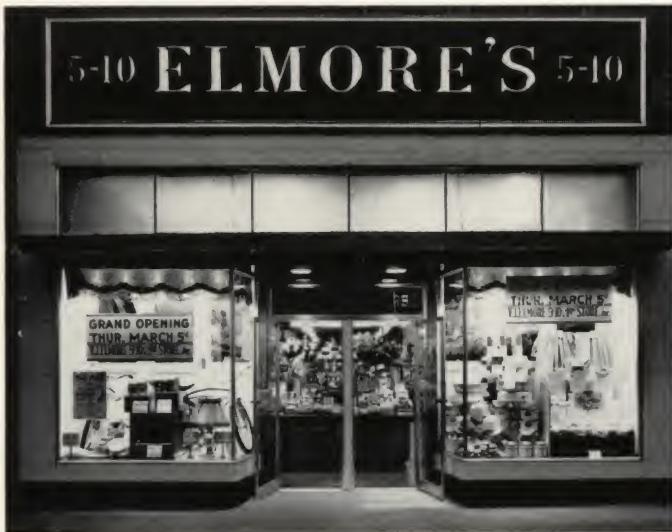
V. J. ELMORE

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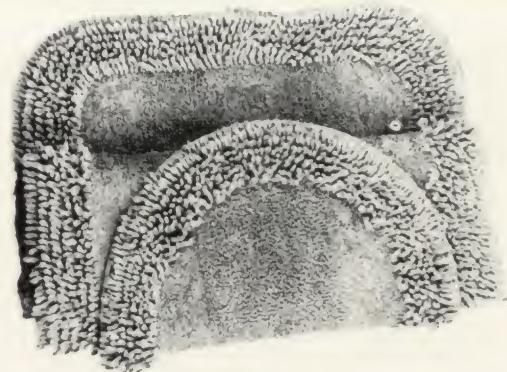
SALES 1926 - 1953

Year	Stores At Year End	Sales
1953	62	\$7,482,684
1952	61	\$7,246,459
1951	61	\$7,445,561
1950	59	\$6,286,093
1949	56	\$5,406,258
1948	52	\$5,357,138
1947	51	\$4,495,263
1946	50	\$4,439,249
1945	49	\$3,788,035
1944	46	\$3,468,410
1943	46	\$3,512,583
1942	44	\$2,739,960
1941	43	\$2,198,361
1940	36	\$1,499,683
1939	31	\$1,411,496
1938	31	\$1,241,258
1937	29	\$1,095,639
1936	24	\$1,010,756
1935	20	\$659,350
1934	13	\$478,953
1933	9	\$297,601
1932	6	\$175,100
1931	5	\$155,548
1930	5	\$149,669
1929	5	\$140,976
1928	3	\$84,436
1927	2	\$57,881
1926	1	\$32,794

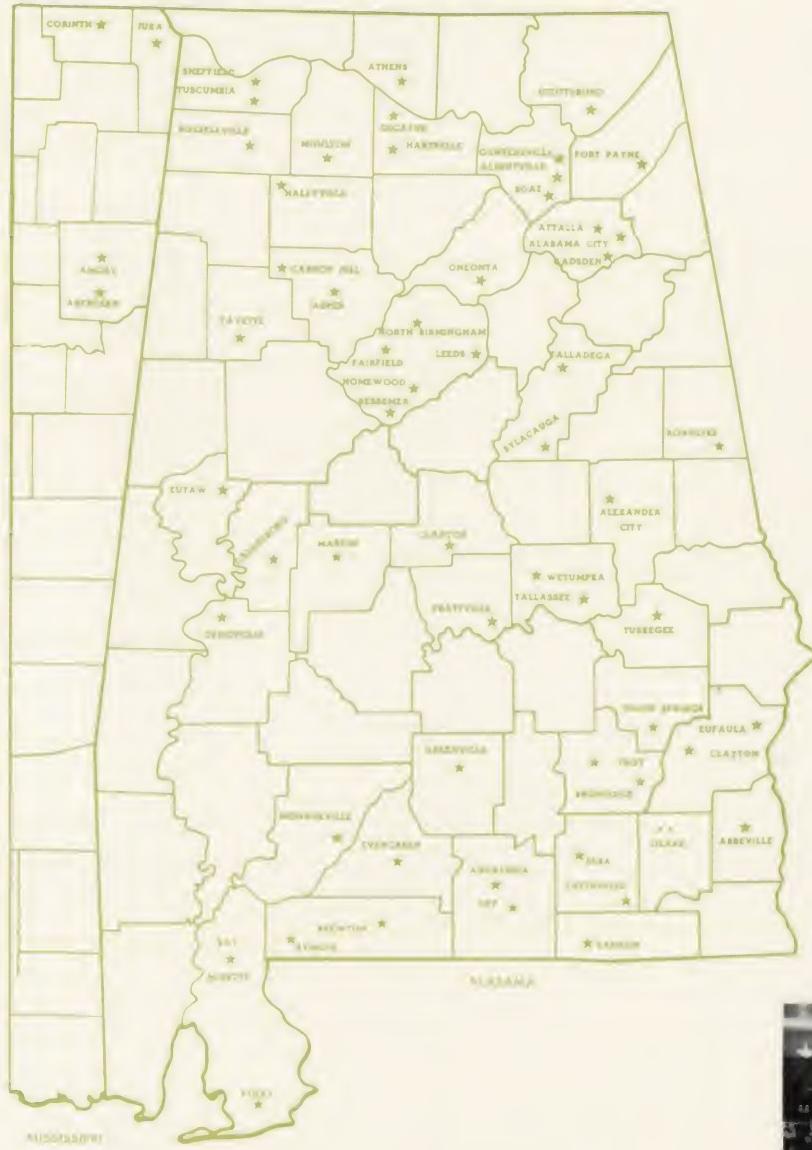
5-10 ELMORE'S 5-10



Store Number 62, Roanoke, Alabama
Was Opened in March 1953



Rugs and Bath Sets by
Colonial Products Co., Inc.
Geneva, Alabama



V. J. Elmore's First 100% Self Service Unit is
Number 34, North Birmingham, Alabama



Wagons by Hedstrom Union
Dothan, Alabama



V. J. ELMORE

STORES AND MANAGERS

For January 31, 1954

Date Opened	Town	Manager	Date Opened	Town	Manager
1925	Clanton, Ala.	J. C. Parr	1940	Talladega, Ala.	W. T. Camp
1927	Jasper, Ala.	G. R. Dunlap	1940	Monroeville, Ala.	J. F. Wade
1928	Wetumpka, Ala.	R. M. Martin	1940	North Birmingham, Ala.	J. D. Cleere
1929	Haleyville, Ala.	J. D. Northcutt	1940	Aberdeen, Miss.	J. M. Logan
1929	Russellville, Ala.	C. J. Boothe	1940	Amory, Miss.	J. O. Ferrell
1932	Alexander City, Ala.	J. W. Plyler	1941	Guntersville, Ala.	G. C. Burks
1932	Hartselle, Ala.	P. C. Thomas	1941	Eutaw, Ala.	J. L. Davis
1932	Athens, Ala.	M. L. Ward	1941	Tuscumbia, Ala.	Mrs. Eunice Wilkerson
1933	Andalusia, Ala.	H. R. Hutson	1941	Sylacauga, Ala.	Jasper T. King
1934	Tuskegee, Ala.	Wm. Murner, Jr.	1941	Scottsboro, Ala.	L. B. Wallace
1934	Marion, Ala.	J. T. Rinehart	1941	Fayette, Ala.	J. D. Estes
1934	Demopolis, Ala.	J. E. Pullen	1941	Decatur, Ala.	F. I. Manker
1934	Greenville, Ala.	J. T. King	1942	Fairfield, Ala.	R. H. Wilks
1935	Union Springs, Ala.	Geo. McCluney	1943	Ozark, Ala.	M. H. Brom
1935	Samson, Ala.	T. L. Grainger	1943	Ozark, Ala.	W. G. Swann
1935	Prattville, Ala.	J. C. Thompson, Jr.	1943	Abbeville, Ala.	Miss Frances Head
1935	Troy, Ala.	F. S. Alsup	1945	Attalla, Ala.	Newell LaFayette
1935	Eufaula, Ala.	O. M. Partin	1945	Carbon Hill, Ala.	Mrs. Edith R. Rutledge
1935	Atmore, Ala.	F. B. Littleton	1945	Iuka, Miss.	H. L. Brom
1935	Bay Minette, Ala.	J. F. Rain	1946	Tallassee, Ala.	K. P. Morris
1936	Brundidge, Ala.	Mrs. Elizabeth Carter	1947	Homewood, Ala.	H. S. Hayne
1936	Clayton, Ala.	W. L. Speaks	1948	Moulton, Ala.	L. K. Gay
1936	Evergreen, Ala.	J. S. Livengood	1949	Enterprise, Ala.	Dalton Gentry
1936	Brewton, Ala.	C. O. McAlister	1949	Foley, Ala.	Cranston Teague
1937	Albertville, Ala.	J. D. Henry	1950	Leeds, Ala.	Billy C. Barefield
1937	Oneonta, Ala.	O. O. Fowler	1950	Gadsden, Ala.	C. W. Hackett
1937	Greensboro, Ala.	S. J. Lawrence	1950	Elba, Ala.	Xemon Hill
1937	Boaz, Ala.	W. H. Dixon	1950	Bessemer, Ala.	J. C. Macon
1937	Opp, Ala.	H. D. Rooks	1951	Sheffield, Ala.	O. G. Hargett
1938	Fort Payne, Ala.	G. R. Rinehart, Jr.	1951	Corinth, Miss.	W. L. Lisenbee
1938	Alabama City, Ala.	H. P. Collins	1953	Roanoke, Ala.	J. M. McGill

Officers

For January 31, 1954

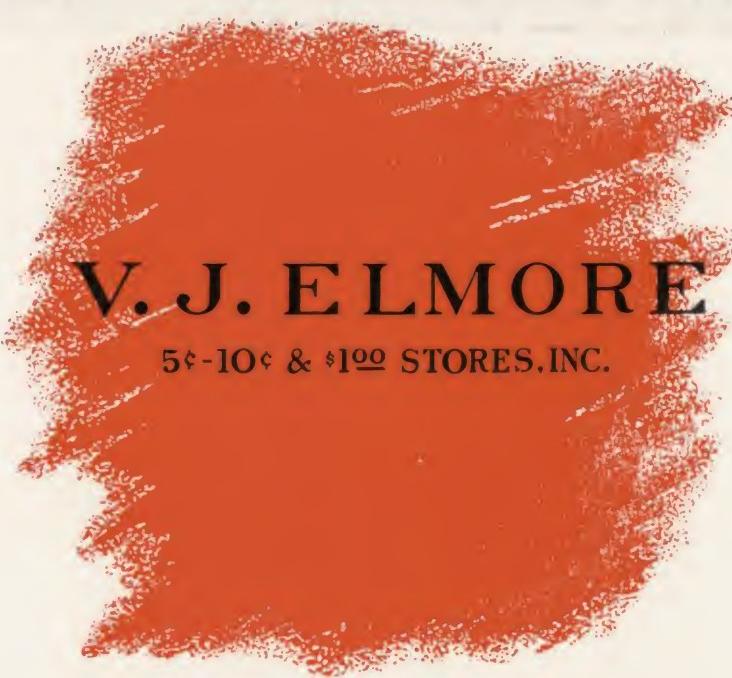
Mrs. V. J. ELMORE President
W. F. RAINER Assistant to the President
G. F. PARR Vice President, Budgeting
JOHN W. POWERS, JR. Vice President, Real Estate
W. A. WILLIS, JR. Secretary and Treasurer
C. O. HESTER Assistant Secretary and Merchandise Manager



Directors

Mrs. V. J. ELMORE President Birmingham, Alabama	W. F. RAINER Assistant to the President Birmingham, Alabama
G. F. PARR Vice President, Budgeting Birmingham, Alabama	GRADY REYNOLDS Reynolds & Reynolds, Attorneys Clanton, Alabama
JOHN W. POWERS, JR. Vice President, Real Estate Birmingham, Alabama	W. A. WILLIS, JR. Secretary and Treasurer Birmingham, Alabama





V. J. ELMORE

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